

Kosovo Agribusiness Development Program
Quarterly Report June - August 2001

Submitted by

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to

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List of Acronyms and Explanation

ABU	Agribusiness Unit of EAR
AKA	Alliance of Kosovar Agribusiness
ATA	Agricultural Trade Association
CORDAID	Catholic Organization for Relief and Development Aid
CPP	Crop Protection Product
EAR	European Agency for Reconstruction
EU	European Union
FSLMU	Financial Services and Loan Monitoring Unit
KADP	Kosova Agribusiness Development Program
KBS	Kosovo Business Support project (USAID)
KODAA	Kosova Agri-inputs Dealers Association
LBK	Kosova Beekeepers Association
NGO	Nongovernmental Organization
PY	Project Year
PSES	Private Sector Extension Services
SHMK	Kosova Flour Millers Association
SHPUK	Kosova Poultry and Feed Producers Association
STC	Short Term Consultant
TTC	Technology Transfer Center
UNMIK	United Nations Mission in Kosova
USAID	United States Agency for International Development
VAT	Value Added Tax

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Introduction

For consistency and ease of understanding, the Kosovo Agribusiness Development Program (KADP) quarterly reports largely follow the format of the work plan submitted to the United States Agency for International Development (USAID) in June 2000. Progress is reported for each of the six program areas (association development, policy analysis and implementation, private sector extension services, agro-processing and marketing, credit facilitation, and trade and procurement) and for two service areas (monitoring and evaluation, and media and publications). Monthly reports to the USAID project manager contain more extensive and detailed information on KADP activities and progress.

Operations

The project has progressed on all fronts during the quarter with a full complement of senior staff that now includes in addition to the COP, resident association, private sector extension services (PSES), policy and agribusiness finance advisors and a Kosovar deputy COP. A series of short-term consultants prepared assessments and recommendations on the poultry industry, the policy agenda for the Alliance of Kosovar Agribusiness (AKA) and on legal aspects of privatization/commercialization of agricultural enterprises. IFDC submitted a revised work plan for the next project year that began in June. A highly successful one-day seminar on The Future for Agriculture in Kosova was organized and cooperation with the United Nations Mission in Kosova (UNMIK), European Agency for Reconstruction (EAR), and other projects was increased. Staff training and association development training was increased.

Highlights of Program Achievements

Trade Associations: Development of the AKA progressed during the quarter with five founding associations agreeing to join, Kosova Agri-inputs Dealers Association (KODAA), Kosova Flour Millers Association (SHMK), Kosova Poultry and Feed Producers Association (SHPUK), the Drini Valley Vegetable Producers Association (Andrini), and the Kosova Beekeepers Association (LBK), representing about 3,000 members. The primary objectives of AKA are to:

- Identify and address common concerns through policy formulation and advocacy.
- Promote and develop relationships with governmental and non-governmental organizations influencing agricultural policy.
- Coordinate members' activities to further sustainable and profitable agricultural development in Kosovo.

The foundation meeting of AKA will be in early September.

Dues and fee structures were completed for the three supported trade associations and KODAA members agreed to a 0.3% levy on fertilizer imports to cover costs of procurement. Negotiations continued throughout the quarter with Agribusiness Unit of EAR (ABU) on behalf of a group of 12 KODAA dealers to obtain credit for the importation of 19,000 tons of NPK fertilizer. In addition, assistance was provided for the supply of feed ingredients from Albania and FRY for SHPUK members.

Bank accounts were opened for each association and dues collection drive commenced. Dues, fees, and contributions to trade missions now deposited amount in total to DEM32,255 for the three associations.

A seminar was held on the poultry sector to present the findings and recommendations of the KADP short-term poultry consultant. This provided some areas for countering the economic hardships in the sector brought about by low priced Macedonian imports and high feed prices.

Policy: Short-term policy advisors continued to work with the staff and association leaders to gather the economic data and prepare solid assessments and budgetary implications for the Alliance policy priorities. AKA representatives attended meetings with UNMIK officials on six occasions to discuss fiscal and privatization/commercialization issues. This included cooperation with DAFRD and CFA on submitting further analysis and requests for removal of customs duties on imported unfinished materials and agricultural inputs. In spite of expressions of agreement by CFA at two policy seminars the World Bank is insisting on full customs duty collections and as a result advocacy commenced with World Bank officials.

A short-term consultant (STC) completed project research and participation on UNMIK committees on the subject of a legal framework for commercialization and privatization of socially owned enterprises. A round table discussion on the findings and recommendations regarding legal aspects of these topics was held with 30 legal specialists and interested parties but subsequently USAID shelved further advocacy for the time being on these issues.

The project organized a major seminar on the policy and other impediments to agribusiness growth in Kosovo at which 130 representatives of the private sector, donors and UNMIK officials attended.

A briefing was held for association members and project staff on the introduction of value added tax (VAT). This is to be followed by an STC in quarter 6.

Private Sector Extension Services: During the quarter, the project conducted 4 field days on wheat demonstrations and variety trials. Over 2000 farmers have now attended field days at project sites. The harvesting of wheat trials was completed, results analyzed and articles prepared for dissemination. Two Hungarian varieties provided top yields of over 7mt/ha which compares to the revised Kosovar average wheat yield for 2000-2001 of 3.3 mt/ha that was in itself an increase of 33% over the previous year. Testing sites were established and monitored for 29 new maize hybrids, 14 soybean varieties, and 6 sunflower varieties. Eight KODAA dealers attended a regional Pioneer Seed field day in Hungary.

Eleven association members and staff attended an Extension Methodology Seminar in Poland conducted by the Department of Agricultural Extension, University of Krakow, Poland.

Sites were selected for the winter crop demonstration and variety-testing program and the treatment and variety program designed.

The emphasis on field demonstrations and the farmer support for these, and training in extension techniques is leading to increased awareness by input dealers of the benefits of providing these types of extension services on their own. The demonstrations are having a direct impact on diversification of agri-input products, and encouraging farmers to use better quality seed, fertilizers, and crop protection products (CPPs).

In addition to the field crop program a poultry sector technical extension program was designed during the quarter for implementation during the next 3 quarters.

Credit Facilitation: Eighteen business plans were prepared for association members and assistance provided for seventeen loan applications during the quarter. Monitoring of the Catholic Organization for Relief and Development Aid (CORDAID) loans to KODAA and SHPUK members continued in conjunction with CORDAID. This represents a serious assignment for the project staff as five KODAA members were in default for a total of almost 78,000 DM. It was agreed with CORDAID to put these recalcitrant creditors on the list of non-complying members, CORDAID undertook legal action against them and KODAA commenced a process to disbar them from the KODAA association. In addition, articles were published on budgeting and loan obligations and a complete survey of the SHPUK creditors was undertaken to evaluate the steps taken to improve their profitability. We are optimistic that current industry strains and cash flow problems of most borrowers can be resolved.

Coordinated training of staff with Kosovo Business Support (KBS) project (USAID) continued on a weekly basis and on special training programs providing optimum utilization of USAID project resources. One staff member attended a training program on SME development sponsored by the International Labor Office in Italy.

The project was also active in submitting a proposal to the Canadian Cooperation Support Office for funding the start-up of a revolving credit fund of DEM 80,000 for the SHMK Association and in preparing a bi-lingual loan counseling form to be used by ABU. Brochures were produced and disseminated on VAT and the introduction of the Euro for association members.

Agro-Processing and Marketing: Project staff during the quarter visited the operations of 40 project clients, organized a trade mission to Hungary for 11 KODAA dealers, and other trade mission to Slovenia and Albania.

A leading U.S. poultry consultant completed a four-week assignment that concluded with a seminar for SHPUK members on opportunities to improve technology, management and profitability and a special seminar with CORDAID to assist in resolving the cash flow problems of CORDAID poultry sector creditors.

Leveraged Support and Cooperation

The major effort during the quarter has been to secure a loan of approximately 8,000,000 DEM from ABU for KODAA dealers to import fertilizer for the wheat planting. In addition, a proposal was submitted to the Canadian Cooperation Support Office for a revolving credit fund for SHPUK members to finance feed purchases. Collaboration continued with an Austrian flourmill equipment supplier and with leading international seed companies.

Pending Issues and Future Activities

The project is organizing a training visit to the mid-west of the U.S.A. in September for KODAA dealers including a visit to an agricultural trade fair.

The foundation meeting of the AKA will be held in early September.

STC studies have been arranged for the vegetable and fruit and nut sectors during the next quarter.

Fertilizer importation, utilizing ABU credit funds is being arranged for September.

Association membership dues collection will be a priority for association development and advocacy with the World Bank will be coordinated in regard to rationalizing the import duties on agricultural inputs and unfinished goods.

There will be an STC on the application and business implications of VAT on agribusiness.

Activities in Support of Objectives

1. Activities in Support of Objectives: Association Development

Activity	Results Indicators	PY 5Q	PY 6Q	PY 7Q	PY 8Q	Quarter Achievements
I. Association Development	66% increase in membership: KODAA: 120 (Baseline); 150 in PY1; 165 in PY2 SHMK: 50 (Baseline); 60 in PY1; 70 in PY 2 SHPUK: 50 (Baseline); 70 in PY1; 95 in PY 2					
1. Joint Advocacy						<ul style="list-style-type: none"> Advocacy activities implemented for assn positions on customs duties, commercialization,
II. Alliance Development (Groups in AKA willing to share resources)						
1. Business Plan						<ul style="list-style-type: none"> Under development; will complete with STC input in Sept
2. Incorporation/Registration						<ul style="list-style-type: none"> Approval gained from 5 assns to support formation of AKA; registration documents to be lodged with UNMIK following media coverage of formal documentation signing by all assns in early Sept.
3. Start Resource Sharing						
III. Individual Associations (KODAA, SHMK, SHPUK)	Each association will average one significant policy or procedural improvement					
1. Regional Meetings						<ul style="list-style-type: none"> KODAA – 3 regional meetings; 6 “national” board meetings SHMK – 2 regional meetings; 4 “national” board meetings SHPUK – 2 regional meetings; 4 “national” board meetings
2. Membership Drive						
3. Mass Media Image Promotion						
4. Advocacy						<ul style="list-style-type: none"> Regular dialogue with CFA, UNMIK Pillar IV, DAFRD, FAO

Activity	Results Indicators	PY 5Q	PY 6Q	PY 7Q	PY 8Q	Quarter Achievements
5. Joint Purchases	1+ per association					<ul style="list-style-type: none"> Assisted with formation of 12-member team from KODAA to access credit from ABU Assisted with identification of suppliers and negotiations for supply of feed ingredients from Albania and FRY; 6 SHPUK members currently joint purchasing soybean meal from Slovenia
6. Credit Access	Increase access to credit through increased business training, loan applications, et.					<ul style="list-style-type: none"> IFDC and KODAA consortium have had lengthy dialogue with ABU to obtain USD4.0mil credit to purchase 19,000MT NPK fertilizer Discussions held with SDC to investigate possible Swiss Govt “export enhancement” support for SHMK members to purchase milling equipment from Switzerland Proposal submitted to Canadian Office for USD40,000 for revolving credit support for equipment purchases by SHMK membership
7. Dues Collection	Collection begins in July					Financial members of assn as follows: <ul style="list-style-type: none"> KODAA – 60 SHMK – 5 SHPUK – 5
8. Bank Accounts	Established & growing, as listed in Strategic Plan					<ul style="list-style-type: none"> Bank accounts opened at MEB for each assn Bank accounts receiving deposits from membership dues and contributions from members to attend trade missions
9. Fee for Service Collection	Collection begins in July					<ul style="list-style-type: none"> KODAA fertilizer consortium members have agreed to pay KODAA 0.3% of value of fertilizer purchased as contribution towards procurement negotiations and business plan preparation costs

2. Activities in Support of Objectives: Policy Analysis and Implementation

Activity	Results Indicators	PY 5Q	PY 6Q	PY 7Q	PY 8Q	Quarter Achievements
AKA Development	Sustainable alliance with policy capability					<ul style="list-style-type: none"> AKA foundation documents drafted and amended AKA founder membership increased to 5 associations AKA submitted funding proposal to FAO/SARK
	Established AKA/APSU relationship					<ul style="list-style-type: none"> Regular meetings of AKA representatives with APSU staff to agree and update policy priorities and strategies
	AKA/APSU links to decision-makers					<ul style="list-style-type: none"> AKA/APSU representatives present at over 5 meetings with representatives of UNMIK departments AKA/APSU represented at bi-weekly agricultural NGO coordination meetings DAFRD representative invited to attend weekly KADP coordination meetings Relevant decision-makers to be invited to presentation AKA foundation meeting planned for September 2001 Political Parties Briefing planned for Q6
Fiscal Policy Reform	Established APSU position at policy table					<ul style="list-style-type: none"> Regular liaison with both CFA and DAFRD on fiscal issues Working to establish CFA/DAFRD/KADP agricultural fiscal working group
	Removal of customs duty on inputs					<ul style="list-style-type: none"> 4 meetings held with DAFRD and 2 with CFA representatives on customs duty removal Agreement of need to remove customs duty on ag inputs voiced by CFA at two policy seminars Draft DAFRD request to CFA on customs duty produced in conjunction with DAFRD directors Additional analysis on effect on domestic production of customs duty removal submitted to DAFRD and CFA Advocacy paper using FAO findings in support of AKA position circulated to relevant organizations Informed at end quarter by CFA that advocacy will need to be taken to the WB in Washington
	Establishment of a more level playing field					<ul style="list-style-type: none"> AKA association representatives agreed early in Q5 that this should take second place to customs duties Nevertheless discussed at DAFRD meetings and included in draft request to CFA

Activity	Results Indicators	PY 5Q	PY 6Q	PY 7Q	PY 8Q	Quarter Achievements
	Association awareness of VAT application					<ul style="list-style-type: none"> • Training held in conjunction with CFA for 15 members of KODAA (those involved in the fertilizer import program and others above the DEM 200,000 threshold) • STC organized for Kosova VAT specialist Maciej Grabowski to establish AKA position on VAT and enhance awareness of association members
Commercialization / Privatization	Re-starting production on SOEs					<ul style="list-style-type: none"> • STC conducted major legal analysis providing framework for privatization/commercialization of SOEs • Roundtable held for 30 legal specialists and interested parties on legal issues regarding commercialization and privatization of agricultural land • Action plan for commercialization agreed with USAID on basis of STC report • 5 meetings held with DAFRD and 2 with DTI on the development and initiation of commercialization for agricultural land – initial procedure and approach agreed
	DAFRD agreement of privatization strategy					<ul style="list-style-type: none"> • Privatization strategies in Eastern Europe analyzed and conclusions drawn on options for Kosova • STC conducted major legal analysis providing framework for privatization/commercialization of SOEs • Analysis distributed to relevant representatives of UNMIK and other organizations • Roundtable held for 30 legal specialists and interested parties on legal issues regarding commercialization and privatization of agricultural land • Privatization initiative shelved at post STC meeting with USAID
Staff Training	Core staff trained to continue policy work					<ul style="list-style-type: none"> • AKA staff included in DAFRD capacity-building workshop on irrigation policy and implementation • APSU staff included in KBS training on business planning and marketing • AKA/APSU staff included in IFDC, Riinvest, KCA and University seminars on agricultural and fiscal policy • APSU staff included in VAT training organized for association members
	Training in Albanian policy environment					<ul style="list-style-type: none"> • Policy study tour to policy-arm of Albanian sister project delayed until Q6 in order to coincide with quarterly National Policy Council session
	Knowledge of Kosova policy environment					<ul style="list-style-type: none"> • APSU staff draft first of a series of analyses of agricultural policy developments in Kosova
	Training in Croatian/Slovenian environment					<ul style="list-style-type: none"> • Planned for Q7
	Training in advocacy and data sourcing					<ul style="list-style-type: none"> • Planned for Q7-8

Activity	Results Indicators	PY 5Q	PY 6Q	PY 7Q	PY 8Q	Quarter Achievements
Crop Diversification	Increased understanding of potential					<ul style="list-style-type: none"> • TORs drafted and STC identification initiated • STC input planned for Q6-7
Framework Regulations	Improved regulatory framework					<ul style="list-style-type: none"> • Planned for Q8
Food Safety & Quality Control	Improvements to regulation and monitoring					<ul style="list-style-type: none"> • Planned for Q8
	Increased association awareness of issues					<ul style="list-style-type: none"> • Planned for Q8

3. Activities in Support of Objectives: Private Sector Extension Services

Activity	Results Indicators	PY 5Q	PY 6Q	PY 7Q	PY 8Q	Quarter Achievements
I. Strategic Crops	Increased farm production (average yields)					
1. Wheat	17% PY1; 4% PY2					<ul style="list-style-type: none"> FAO/WFP and IFDC concur that 2000/01 winter wheat yields increased by 33% compared to previous year (av. 3.3MT/ha) Domestic deficit expected to again be at least 100,000MT
2. Potatoes	10% PY1; 10% PY2					<ul style="list-style-type: none"> Area planted reduced by 10-15% Yield estimated to be approx. 20% increase
3. Maize	12% PY1; 9% PY2					<ul style="list-style-type: none"> Area planted reduced by 10-15% FAO/WFP estimates yields to be approx. 30% higher than last season (at 3.9MT/ha)
II. Package of Practices Developed						
B. YR. 2001/2002.	Avg. ton per ha in PY 2					
1. Wheat	2.8 T					<ul style="list-style-type: none"> FAO/WFP and IFDC concur that 2000/01 winter wheat yields increased by 33% compared to previous year (av. 3.3MT/ha) Domestic deficit expected to again be at least 100,000MT
2. Potatoes	10.0T					<ul style="list-style-type: none"> Area planted reduced by 10-15% Yield estimated to be approx. 20% increase
3. Maize	3.6 T					<ul style="list-style-type: none"> Area planted reduced by 10-15% FAO/WFP estimates yields to be approx. 30% higher than last season (at 3.9MT/ha)
4. Other						<ul style="list-style-type: none"> Due to favorable seasonal conditions, vegetable, legume and forage crop yields expected to be 10-20% higher than previous season
III. On Farm Trial Program Designed						
B. YR. 2001/2002						<ul style="list-style-type: none"> Winter wheat demonstration design and program completed CIMMYT seed sourced, packaged and awaiting collection from Turkey
IV. TTC Identified and Contracted						
A. Central KODAA Region	1					<ul style="list-style-type: none"> Identified (Lipjan); demonstrations with sunflowers, maize and herbicides (Roundup on perennial rhizotomous weeds) implemented and currently being evaluated
B. Western KODAA Region	1					<ul style="list-style-type: none"> Identified (Gjakova); demonstrations with sunflowers, maize, soybeans and fertilizers; implemented and currently being evaluated Site for winter wheat identified (Peje)

Activity	Results Indicators	PY 5Q	PY 6Q	PY 7Q	PY 8Q	Quarter Achievements
C. Eastern KODAA Region	1					<ul style="list-style-type: none"> Identified (Podujeva); demonstrations with sunflowers, maize, soybeans and fertilizers; implemented and currently being evaluated Site for winter wheat identified (Podujeva)
V. Field Demonstrations at TTC						
	Year 2000/2001: Total Demonstration/Treatments: 10					
A. Wheat	5					<ul style="list-style-type: none"> For 2000/01: 2 sites x 2 replications x 25 varieties; 2 sites x 4 fertilizer treatments; 1 sites x 2 herbicide treatments
B. Soybean	2					<ul style="list-style-type: none"> For 2001: 2 sites x 2 replications x 14 varieties
C. Maize	3					<ul style="list-style-type: none"> For 2001: 2 sites x 2 replications x 29 varieties; 1 site x 10 varieties For 2001 sunflowers: 3 sites x 6 varieties
	Year 2001/2002: Total Demonstration/Treatments: 30					
A. Wheat	15					<ul style="list-style-type: none"> For 2001/02 proposed: 2 sites x 2 replications x 25-30 varieties; 2 sites x 5 fertilizer treatments; 2 sites x 2 herbicide treatments; 1 site x “composite technology package”
B. Soybean	5					
C. Maize	10					
VI. Field Days						
A. Central KODAA Region	2					<ul style="list-style-type: none"> 2 (Bardhi I Vogel) winter wheat; 1 (Lipjan) sunflowers and herbicides
B. Western KODAA Region	2					<ul style="list-style-type: none"> Poultry management seminar by STC (Prishtina)
C. Eastern KODAA Region	2					<ul style="list-style-type: none"> 2 (Podujeva) spring crops
Surveys on technical and marketing skills of entrepreneurs	2 Surveys: Entrepreneur's Technical Knowledge and Transfer Skills					
A. Pre-Extension Training						<ul style="list-style-type: none"> Training course conducted in Poland by Ag Uni of Krakow; 11 attendees
B. Post- Extensions Training						<ul style="list-style-type: none"> Extension “refresher” course in assn with marketing course planned for Nov 2001; to be conducted by Ag. Uni of Krakow specialists in Prishtina
Extension Methodology training/marketing skills	4 Extension Methodology Training: By Input Context					

Activity	Results Indicators	PY 5Q	PY 6Q	PY 7Q	PY 8Q	Quarter Achievements
A. Seed	1					• Training course conducted in Poland by Ag Uni of Krakow; 11 attendees
B. CPP	1					• Training course conducted in Poland by Ag Uni of Krakow; 11 attendees
C. Fertilizer	1					• Training course conducted in Poland by Ag Uni of Krakow; 11 attendees
D. Other	1					• Training course conducted in Poland by Ag Uni of Krakow; 11 attendees • Extension “refresher” course in assn with marketing course planned for Nov 2001; to be conducted by Ag. Uni of Krakow specialists in Prishtina
Product sales increase	Increase of sales					
Fertilizer	15% in PY1; 20% in PY2					• Approx. 35,000MT NPK and urea imported, auctioned and distributed by EAR and IFDC (2000/01)
Seeds	40% in PY1; 45% in PY2					
CPPs	50% in PY1; 50% in PY2					
Eggs domestically produced	7% in PY1; 12% in PY2					• A poultry sector technical extension program designed for implementation in Q6-8

4. Activities in Support of Objectives: Agro-Processing and Marketing

Activity	Results Indicators	PY 5Q	PY 6Q	PY 7Q	PY 8Q	Quarter Achievements
Industry Analysis: Trends and Feasibility. Two comparative advantage studies and five feasibility studies completed by project end.						
Rapid Appraisal: Kosovar Ag. Comparative Advantage						
Agricultural Commodity Storage						
Feed and Flour						
Poultry: Egg						<ul style="list-style-type: none"> STC Poultry Economist Paul Aho recruited June 11 – 27. Final report submitted to USAID.
Seed						
Vegetable						<ul style="list-style-type: none"> TOR for vegetable specialist submitted in August
Long-term comparative advantage study completed						
Identify Critical Targets and Target Technical Assistance						
Business Profiles	105 client site visits					<ul style="list-style-type: none"> Ongoing. 40 client site visits completed.
Business counseling	35 clients receive business mgmt counseling					
Business plan preparation	BP and marketing plans completed as demanded					<ul style="list-style-type: none"> 18 Business plans and 17 loan applications completed. 6 business plans ongoing.
Business advisor recruited	Enterprise Advisor in place					<ul style="list-style-type: none"> Completed. Business Advisor arrived July 15.
Commercial Training						
The value of self-investment will be \$125,000 in PY 1 and \$500,000 in PY2						
General Management						
Marketing						
Organizations/HR						
Contracts						
Technical Assistance. TA will increase ag-inputs availability as follows: Fertilizer: 40,000 MT (baseline), 60,000 MT in PY 1, 70,000 MT in PY 2. Seeds: 16,000 MT (baseline), 22,000 MT in PY 1, 30,000 MT in PY 2.						
Fertilizer Specialist: International Procurement and Marketing Specialist (EAR companion project)						
Poultry Specialist						<ul style="list-style-type: none"> STC Poultry Economist Paul Aho recruited June 11 –

Activity	Results Indicators	PY 5Q	PY 6Q	PY 7Q	PY 8Q	Quarter Achievements
						27. Final report submitted to USAID.
Fertilizer Marketing Specialist						
Volunteers/Specialists						
Feed Milling	Detailed study of feed milling industry, seminar to associations					
Poultry	Detailed study of poultry industry with recommendations, seminar to associations					<ul style="list-style-type: none"> STC Poultry Economist Paul Aho recruited June 11 – 27. Final report submitted to USAID.
Seed Identification	Training provided to associations					
Pesticide: Sources, Use, Regulations	Training provided to associations					
STC						
Fertilizer: Bulk Blending	Training provided to associations					
Fertilizer: International Procurement	Training provided to associations					
Fertilizer: EFMA European Markets	Training provided to associations					
Seed Regulations	Training provided to associations in conjunction with DAFRD					
Animal Nutritionist: Feed Regulations	Detailed study of poultry industry feed formulation options, seminar to associations					
Vegetable	Detailed study of diversification options with recommendations, seminar to associations					<ul style="list-style-type: none"> TOR for vegetable specialist submitted in August to Agridev, Israel for STC identification; visit planned for mid-Oct
Food Processing Specialist: Quality and Safety	Detailed study on areas requiring improvement in the establishment of food safety and quality control in conjunction with DAFRD, seminar to associations					
Potato	Study of seed potato production options, recommendations, seminar to associations					
Greenhouse	Study of greenhouse production economics, crop options, recommendations, seminar to associations					
Management	Training provided to associations					
Marketing	Training provided to associations					
Commercial Training Abroad						
Trade Missions	Minimum 1 trade mission per quarter. Increase in number of international suppliers / buyers					<ul style="list-style-type: none"> KODAA trade mission to Hungary; other missions to Slovenia and Albania

5. Activities in Support of Objectives: Credit Facilitation

Activity	Results Indicators	PY 5Q	PY 6Q	PY 7Q	PY 8Q	Quarter Achievements
Identify sources of credit	List of credit facilities updated and distributed					<ul style="list-style-type: none"> List of 19 credit facilities with loan terms updated
Financial services	BP prepared for requesting association members					<ul style="list-style-type: none"> 15 BPs prepared for KODAA members for over DEM 8,000,000 2 BPs prepared for SHPK members for DEM 80,000 1 BP prepared for Skenderaj Cooperative for DEM 480,000 6 BPs ongoing
	Financial counseling provided to clients					<ul style="list-style-type: none"> Loan counseling form created and distributed to ABU Financial counseling provided to 17 SHPK members, 15 KODAA members, 5 others
	Assisted with completing loan applications					<ul style="list-style-type: none"> 17 loan applications completed
	Prepared business diagnostics form					<ul style="list-style-type: none"> Bi-lingual business diagnostics form created from KBS diagnostic form, distributed to IFDC personnel
	Distributed monthly article on business					<ul style="list-style-type: none"> Three articles published: loan obligations, Euro conversion, and budgeting 500 brochures on VAT distributed 500 brochures on the Euro distributed
Screen loan applicants	Monitored loan repayments of funds disbursed by MFIs					<ul style="list-style-type: none"> Ongoing monitoring of 13 SHPK members and 5 KODAA members with CORDAID loans
	Qualified applicants assisted in loan application					<ul style="list-style-type: none"> Assisted 15 KODAA members and 2 SHMK members in applying for loans
Staff Training	Association marketing plans completed					<ul style="list-style-type: none"> Marketing plans completed for 3 Associations
	Able to create professional excel spreadsheets					<ul style="list-style-type: none"> Excel training completed
	Able to use Access					
	Weekly attendance at KBS in-house business training					<ul style="list-style-type: none"> Ongoing
	Able to prepare business plans with minimal supervision					
	Able to complete financial statements					<ul style="list-style-type: none"> Completed. Training in financial statements provided by KBS July 5-6, August 13-14, and in weekly trainings. One staff member attended an SME development course in Italy June 24 – July 8. Staff members regularly prepare financial statements for loan applications and business plans.

Activity	Results Indicators	PY 5Q	PY 6Q	PY 7Q	PY 8Q	Quarter Achievements
	Conducted business training seminars to associations					<ul style="list-style-type: none"> • Ongoing. • Provided 1 formal training session on business plans June 24, 1 informal training session on budgeting August 26 • 15 KODAA members attended VAT training seminar on July 27 hosted by IFDC and presented by CFA's VAT Administration Team
Association Training	Conducted training seminar on preparing business plans					<ul style="list-style-type: none"> • Training provided June 24.
	Conducted training on financial management, financial statements					<ul style="list-style-type: none"> • Ongoing. Provided training on preparing financial statements to 15 credit applicants
	Increased use of basic financial management practices					
	Associations operated independent of IFDC					
NGO Coordination	Coordinated training with KBS					<ul style="list-style-type: none"> • Ongoing. IFDC personnel attend weekly KBS consultant training and other KBS training events: July 5-6, August 13-14 Financial Statements; August 20-23 Bookkeeping; June 25-27, August 20-21 Marketing;
	Notified MFIs of possible problem loan repayments					<ul style="list-style-type: none"> • Gave insights into the business activities of loan applicants to ABU
	Screened loan applicants from trade associations					<ul style="list-style-type: none"> • Utilized a pre-screening checklist to select qualified KODAA members for ABU fertilizer loans

6. Activities in Support of Objectives: Trade and Procurement

Activity	Results Indicators	PY 5Q	PY 6Q	PY 7Q	PY 8Q	Quarter Achievements
	Intensive staff training begins PY 1Q					
A. Input Procurement: Negotiation and Documentation						<ul style="list-style-type: none"> Contact initiated and ongoing with suppliers of agri-inputs and agri-processing equipment manufactures (Greece, Albanian, Austria, Turkey, Balkan neighbors, Italy, Holland)
B. Freight Forwarding/Logistics						<ul style="list-style-type: none"> Maintain a list of freight companies
C. Trade Mission Management						<ul style="list-style-type: none"> Trade missions to Hungary, Albania, Slovenia Planned mission to Austria/Switzerland-SHMK (Sept 6-11)
D. WTO and EU Trade Parameters						
Entrepreneur Orientation:	5 International/Regional linkages are made by PY 1					
A. International and Regional Opportunities: Linkages						<ul style="list-style-type: none"> Contact initiated and ongoing with suppliers of agri-inputs and agri-processing equipment manufactures (Greece, Albanian, Austria, Turkey, Balkan neighbors, Italy, Holland) Trade missions to Hungary, Albania, Slovenia Planned mission to Austria/Switzerland-SHMK (Sept 6-11)
B. International Procurement						<ul style="list-style-type: none"> Advertisement released for supply of 19,000MT NPK fertilizer (part of ABU/KODAA activity)
	Donor Commodity Aid Logistical Management					<ul style="list-style-type: none"> Facilitated supply of agri-inputs to minority groups via UNMIK/KFOR and KODAA
Establish International and Regional Market Connections.	Clients will attend 3 trade missions, 4 inter-Balkan conferences and 6 trade fairs					
A. Inputs						
1. Fertilizer Brokers						<ul style="list-style-type: none"> See below
2. Seed and CPP Companies						<ul style="list-style-type: none"> See below
B. General						<ul style="list-style-type: none"> See below
1.Regional Trade Missions: Turkey, Israel, Greece						<ul style="list-style-type: none"> Trade missions to Hungary, Albania, Slovenia Planned mission to Austria/Switzerland-SHMK (Sept 6-11)

Activity	Results Indicators	PY 5Q	PY 6Q	PY 7Q	PY 8Q	Quarter Achievements
2. Inter-Balkan ATA Conferences: Kosova, Albania, Macedonia, Bulgaria						<ul style="list-style-type: none"> • AKA to attend KASH National Meeting in Tirana (Sept 11-16) • IFDC sponsored seminar in Prishtina on 14 June (<i>"The Future for Agriculture in Kosova: Comparative Studies for Modernizing Agriculture with Examples from Neighboring Transition Economies"</i>); 200 attendees •
3. Inter-Balkan Trade Fairs						<ul style="list-style-type: none"> • Attendance at Agri-trade fair in Slovenia cancelled due to regional visa/passport issues

7. Activities in Support of Objectives: Monitoring and Evaluation

Activity	Results Indicators	PY 5Q	PY 6Q	PY 7Q	PY 8Q	Quarter Achievements
	I. Baseline Studies					
A. Input Surveys: Increase (%) in Use						
1. Fertilizer						<ul style="list-style-type: none"> See Section 3 above (PSES)
2. CPP						<ul style="list-style-type: none"> See Section 3 above (PSES)
3. Seeds						<ul style="list-style-type: none"> See Section 3 above (PSES)
B. Farm Production Yield						
1. Wheat						<ul style="list-style-type: none"> See Section 3 above (PSES)
2. Maize						<ul style="list-style-type: none"> See Section 3 above (PSES)
3. Potato						<ul style="list-style-type: none"> See Section 3 above (PSES)
C. Income Increases						
1. Farmers Receiving Credit						<ul style="list-style-type: none"> Loan applications and business plans submitted for over DEM 8 million in credit. Approval pending. Project proposal for the creation of a DEM 80,000 revolving fund program for the SHMK Association submitted to the Canadian Cooperation Support Office. Approval pending.
2. KODAA dealers Credit						<ul style="list-style-type: none"> Ongoing. 14 members applied for over DEM 8 million in loans from ABU
D. New Investment						
1. KODAA Bank Equity						
2. Loan Indemnity						
3. Agribusiness Equity						
4. Credit Funds for KODAA						<ul style="list-style-type: none"> Ongoing. 14 members applied for over DEM 8 million in loans from ABU
E. Cost Sharing						
Association Parameters (Association Development Unit – ADU)						
A. Membership						<ul style="list-style-type: none"> KODAA – 200 members SHPK – 150 members SHMK – 85 members
B. Budget: Dues and Fees						<ul style="list-style-type: none"> KODAA collected DEM 2,800 in dues and DEM 37,200 in fees SHPK collected DEM 900 in dues and DEM 3,980 in fees SHMK collected DEM 500 in fees and DEM 2,400 in fees

Activity	Results Indicators	PY 5Q	PY 6Q	PY 7Q	PY 8Q	Quarter Achievements
C. Advocacy: Initiatives and Achievements						
Procurement: Quantification of Volume, Range and Value						
A. Inputs						
B. Agribusiness Technology and Equipment						
A. Policy and Advocacy Achievement Reports						
B. Ag -Statistics Reports to UNMIK						<ul style="list-style-type: none"> Input/market report regularly distributed to UNMIK and other IOs and NGOs
PSES	Preparation of PSES Surveys					
A. Pre-Training Survey						<ul style="list-style-type: none"> Training course conducted in Poland by Ag Uni of Krakow; 11 attendees
B. Post-Training Survey						
Credit	To be prepared by FSLMU					
A. Project Credit Component: Internal						<ul style="list-style-type: none"> Loan counseling form created List of 19 credit suppliers updated
B. COORDAID						<ul style="list-style-type: none"> Ongoing. Visited 5 KODAA members with CORDAID on July 18 Met with 8 SHPK members with CORDAID on August 10 Gather loan repayment data from CORDAID monthly Coordinated efforts between IFDC, KODAA, and CORDAID to expel 5 defaulters from KODAA and collect money owed to CORDAID
Macro-elements, changes in financial environment, product services, social impact of credit. Macro/external under policy component- see loan agreement KODAA/CORDAID						<ul style="list-style-type: none"> Regularly monitored; ongoing consultations with credit suppliers and financial institutions (MEB, KBS, CORDAID)

8. Activities in Support of Objectives: Media and Technical Publications

Activity	Results Indicators	PY 5Q	PY 6Q	PY 7Q	PY 8Q	Quarter Achievements
I. Project Mass Media IFDC/Kosova//USAID	Broadcast KADP image spots					
A. TV Spot: Project Concept and Services						<ul style="list-style-type: none"> Regular features and news emissions on assn activities, meetings and objectives, agronomic and husbandry advice and PSES activities
B. Emissions						<ul style="list-style-type: none"> Approx. 6-7
C. Radio Spot: Same as TV						<ul style="list-style-type: none"> Regular feature and news emissions on assn activities, meetings and objectives, agronomic and husbandry advice and PSES activities
D. Emissions						<ul style="list-style-type: none"> Approx 5 short and 3 long (45 minute) emissions
IV. Association Media Package and Events: KODAA, SHMK, and SHPUK	Broadcast KADP-related association image/event spots					
A. Assn. TV Spot: Objectives and Benefits						<ul style="list-style-type: none"> See above
B. Membership Drive Emissions						<ul style="list-style-type: none"> See above
C. Assn. Radio Spot: Similar TV						<ul style="list-style-type: none"> See above
D. Membership Drive Emissions						<ul style="list-style-type: none"> See above
E. Event Coverage:						
1. General Meetings						<ul style="list-style-type: none"> See above
2. Apex Council						<ul style="list-style-type: none"> Official formation of AKA will be covered by media (Sept 7)
F. Advocacy: Media Round Tables (TV and Radio)						
V. PSES						
A. PSES Concept Introduction: Roundtables and Emissions						<ul style="list-style-type: none"> See above
B. Coverage of Field Days						<ul style="list-style-type: none"> See above

C. Technical Messages						<ul style="list-style-type: none"> • See above
1. CPP Safety						<ul style="list-style-type: none"> • See above
2. Fertilizer: General						<ul style="list-style-type: none"> • See above
3. Quality Seed.						<ul style="list-style-type: none"> • See above
VI. PSES and Technical Publications	Produce and disseminate 6 technical manuals, brochures					
A. Farmer Audience						
1. Fertilizer and CPP Calendar						<ul style="list-style-type: none"> • 8 brochures completed and distributed • assn newsletter produced monthly
2. Brochures Crop Varieties and Practices: Wheat, Maize, Potatoes						<ul style="list-style-type: none"> • 7 brochures completed and distributed • 6 brochures completed on poultry diseases and management
B. Professional Audience: Manual or Technical Paper						
1. Fertilizer Use						<ul style="list-style-type: none"> • Completed
2. Compound Fertilizers						<ul style="list-style-type: none"> • Completed
3. Other						<ul style="list-style-type: none"> • 1 booklet of milling quality prepared by SHMP and distributed • Booklet on index of mills in Kosova completed and distributed